

Congress of the United States
Washington, DC 20515

473

May 12, 2015

The Honorable Thomas Wheeler
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Wheeler:

On May 6, 2014, nearly 90 U.S. House members signed a bipartisan letter calling on the Federal Communications Commission (FCC) to move forward on reforms to the Universal Service Fund (USF) to ensure that consumers in areas served by small, rate-of-return providers have the same choice among reasonably comparable telecom services at reasonably comparable rates that urban consumers already benefit from. But outdated rules tie USF support for small rate-of-return-regulated carriers to the provision of "plain old telephone service" (POTS), meaning their rural customers must purchase voice in order to receive affordable broadband. It is long past time to finish the job by updating USF for a marketplace that gives consumers a full set of choices between quality voice and broadband services. Small rural carriers have worked hard to provide innovative services to some of the most difficult-to-serve parts of our country, only to see obsolete, anti-consumer rules put broadband out of the reach of some consumers by unnecessarily cutting support.

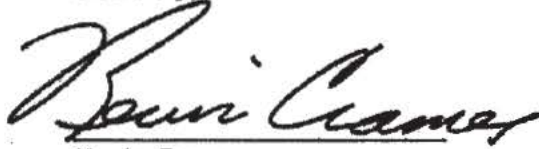
The FCC is in its fourth year of work on the Connect America Fund (CAF) that distributes USF support to larger price cap carriers and – because it isn't tied specifically to the purchase of voice – enables those providers to offer broadband-only service to their rural customers. The amount of time it has taken just to implement the CAF for 13 larger carriers – a number of whom have indicated the CAF still might not work for them – makes clear that a much simpler and straightforward plan that similarly empowers rate-of-return carriers and their customers is needed. Long-term options for USF support modifications can and certainly should be explored as well, but not at the expense of an immediate, targeted solution to the issue highlighted in this and last year's letters.

We continue to support efforts to update USF while applying appropriate, sufficient program budgets and ensuring USF distributions are invested prudently and reasonably, which helps provide the credibility necessary for the FCC to fulfill its statutory mandate. Previous USF reform stumbles have hindered rural broadband investment; and your agency now has an opportunity to provide certainty to small, rural carriers, encourage investment in rural broadband, and offer consumers greater choice by finally reforming USF for the broadband era. We look forward to working with you to accomplish in the very near future what already has broad

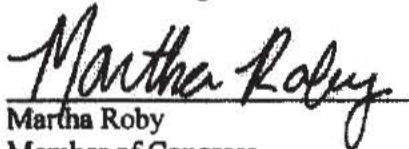
support in Congress and will be essential to providing all Americans with the opportunity to participate in the global broadband economy.

Thank you for your prompt attention to this matter.

Sincerely,




Kevin Cramer
Member of Congress



Martha Roby
Member of Congress



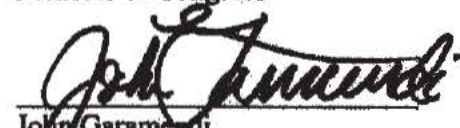
French Hill
Member of Congress



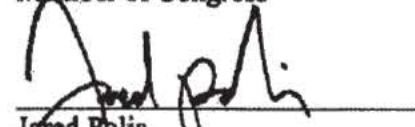
Bruce Westerman
Member of Congress



Doug LaMalfa
Member of Congress



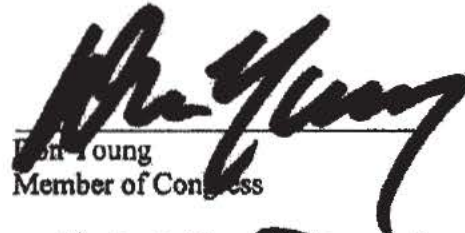
John Garamendi
Member of Congress



Jared Polis
Member of Congress



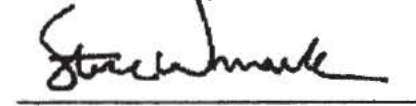
Ken Buck
Member of Congress



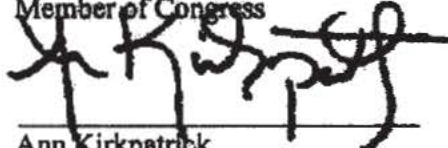
Bob Young
Member of Congress



Rick Crawford
Member of Congress



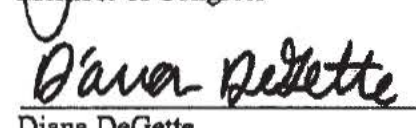
Steve Womack
Member of Congress



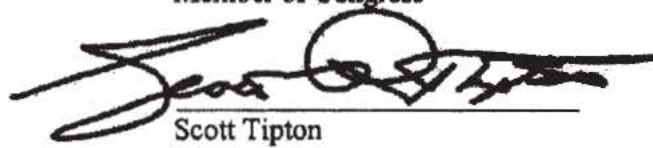
Ann Kirkpatrick
Member of Congress



Jared Huffman
Member of Congress




Diana DeGette
Member of Congress

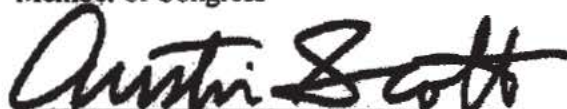


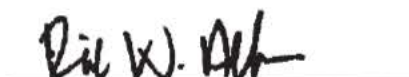
Scott Tipton
Member of Congress




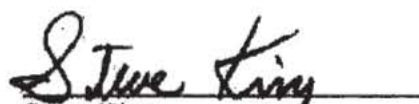
Doug Lamborn
Member of Congress

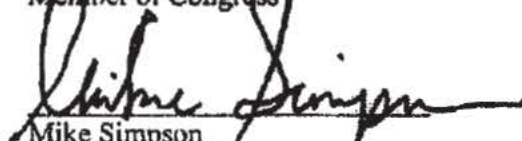

Mike Coffman
Member of Congress


Austin Scott
Member of Congress

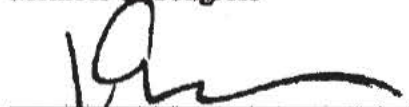

Rick W. Allen
Member of Congress



Dave Loebsack
Member of Congress

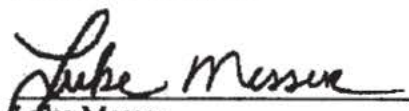

Steve King
Member of Congress


Mike Simpson
Member of Congress


Mike Bost
Member of Congress


John Shimkus
Member of Congress

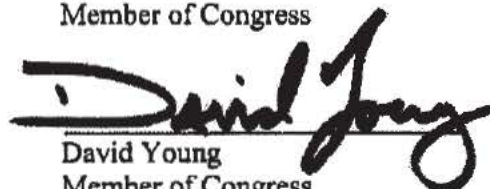

Cheri Bustos
Member of Congress

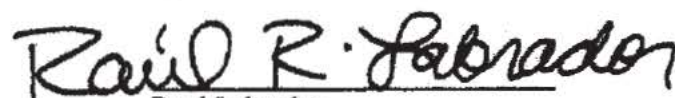

Luke Messer
Member of Congress


Earl L. 'Buddy' Carter
Member of Congress

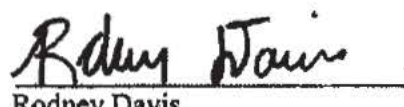

Doug Collins
Member of Congress

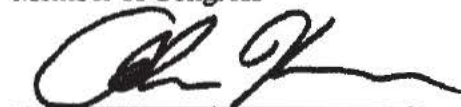

Rod Blum
Member of Congress


David Young
Member of Congress

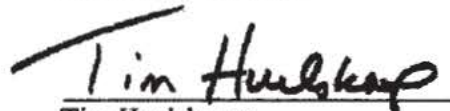

Raul Labrador
Member of Congress

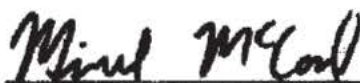

Peter Roskam
Member of Congress


Rodney Davis
Member of Congress

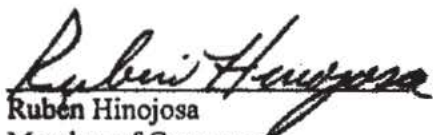

Adam Kinzinger
Member of Congress


Todd Rokita
Member of Congress



Tim Huelskamp
Member of Congress



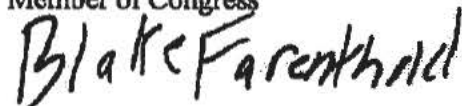
Michael McCaul
Member of Congress



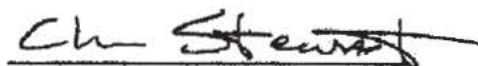
Ruben Hinojosa
Member of Congress



Lamar Smith
Member of Congress



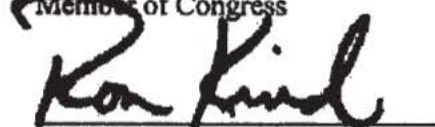
Blake Farenthold
Member of Congress



Chris Stewart
Member of Congress



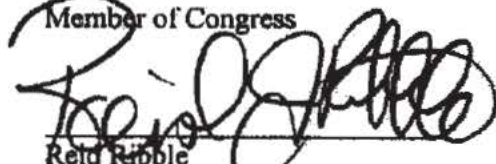
Peter Welch
Member of Congress



Ron Kind
Member of Congress



Glenn Grothman
Member of Congress



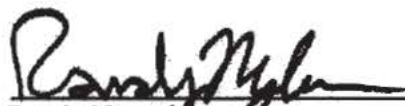
Reid Ribble
Member of Congress



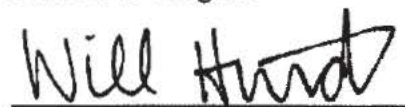
Jason Smith
Member of Congress



K. Michael Conaway
Member of Congress



Randy Neugebauer
Member of Congress



Will Hurd
Member of Congress



Rob Bishop
Member of Congress



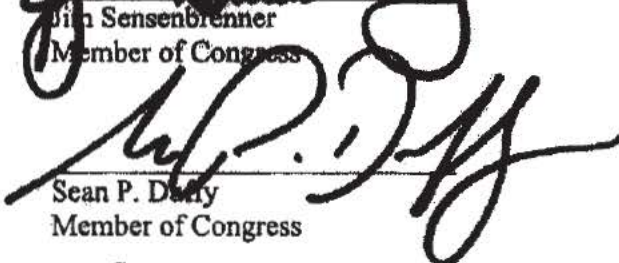
H. Morgan Griffith
Member of Congress



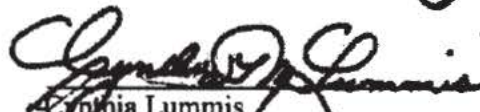
Mark Pocan
Member of Congress



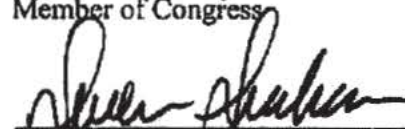
Jim Sensenbrenner
Member of Congress



Sean P. Duffy
Member of Congress




Cynthia Lummis
Member of Congress



Gwen Graham
Member of Congress



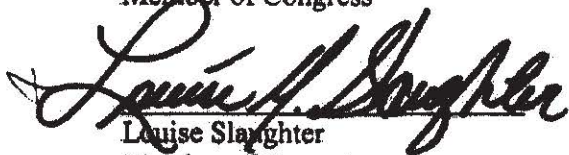
David Rouzer
Member of Congress



Steve Pearce
Member of Congress



Chris Gibson
Member of Congress



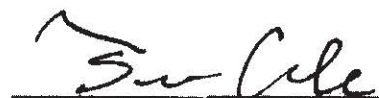
Louise Slaughter
Member of Congress



Bill Johnson
Member of Congress



Markwayne Mullin
Member of Congress



Tom Cole
Member of Congress



Peter DeFazio
Member of Congress



Joe Wilson
Member of Congress



Scott DesJarlais
Member of Congress




Ann McLane Kuster
Member of Congress



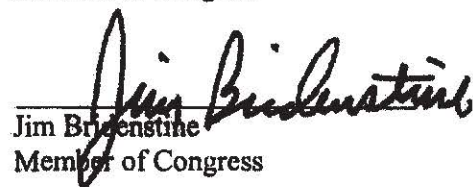
Mark Amodei
Member of Congress



Elise M. Stefanik
Member of Congress



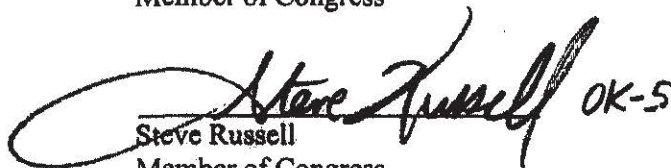
Robert Latta
Member of Congress



Jim Bridenstine
Member of Congress



Frank Lucas
Member of Congress

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Steve Russell
Member of Congress



Kurt Schrader
Member of Congress



Kristi Noem
Member of Congress



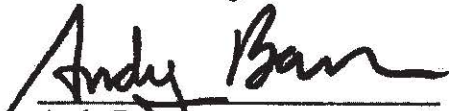
Louie Gohmert
Member of Congress



Lynn Jenkins EPA
Member of Congress



Brett Guthrie
Member of Congress



Andy Barr
Member of Congress



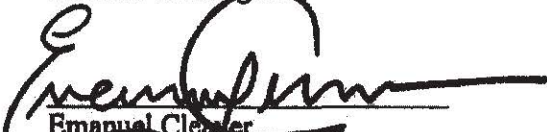
Tim Walberg
Member of Congress



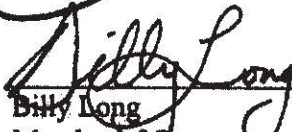
Collin Peterson
Member of Congress



Blaine Luetkemeyer
Member of Congress



Emanuel Cleaver
Member of Congress



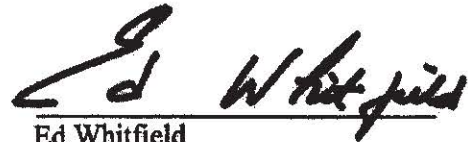
Billy Long
Member of Congress



Ryan Zinke
Member of Congress



Walter Jones
Member of Congress



Ed Whitfield
Member of Congress



Harold Rogers
Member of Congress



Charles W. Boustany Jr., MD
Member of Congress



John Kline
Member of Congress



Rick Nolan
Member of Congress



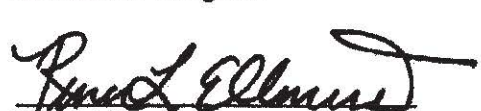
Vicky Hartzler
Member of Congress



Sam Graves
Member of Congress



Gregg Harper
Member of Congress



Renee Ellmers
Member of Congress



Virginia Foxx
Member of Congress



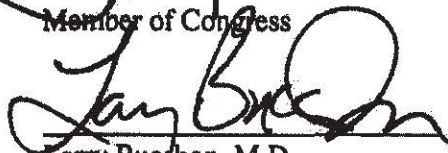
Susan Brooks
Member of Congress



David G. Valadao
Member of Congress



Jeff Duncan
Member of Congress



Larry Bucshon, M.D.
Member of Congress



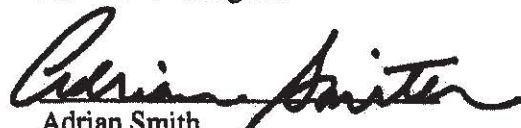
Tom Rice
Member of Congress



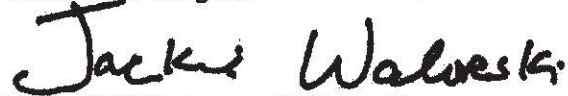
Todd Young
Member of Congress



John Ratcliffe
Member of Congress



Adrian Smith
Member of Congress



Jackie Walorski
Member of Congress



Pete Olson
Member of Congress



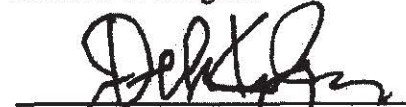
Gwen Moore
Member of Congress



Tim Walz
Member of Congress



Chellie Pingree
Member of Congress



Derek Kilmer
Member of Congress



Ann Wagner
Member of Congress



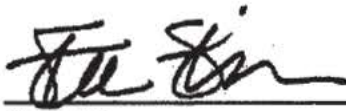
Filemon Vela
Member of Congress



Mac Thornberry
Member of Congress



David B. McKinley, P.E.
Member of Congress



Steve Stivers
Member of Congress



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 27, 2015

The Honorable Edward Whitfield
U.S. House of Representatives
2184 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Whitfield:

Thank you for your letter urging the Commission to reform our Universal Service Fund ("USF") mechanisms to support broadband deployment in rural America. The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the 21st century economy. I share your goal of ensuring that the universal service program better reflects today's marketplace and technology in areas served by rate-of-return carriers.

As I explained at the Senate Commerce Committee's FCC Oversight Hearing earlier this year, resolving this issue will require all the stakeholders to work together and make hard decisions to reach consensus on the best path forward. Everybody agrees that the goal of any changes should be supporting broadband in rural areas. With that in mind, I directed my staff and staff members from the Commission's Wireline Bureau to meet with stakeholders in the rate-of-return community. We have encouraged all stakeholders in the rate-of-return community to work together to develop an approach that both has the widespread support of the rate-of-return community and meets the principles unanimously outlined by the Commission in our April 2014 *Further Notice of Proposed Rulemaking*.

I share your concern about the state of rural broadband deployment. I also recognize the substantial time, effort, and resources that have been invested in this effort to date by stakeholders in the rate-of-return community to address these issues. I am committed to finding a path forward by the end of the year. But it is important to have a solution – or set of solutions – that creates the right incentives to deploy modern networks throughout rural America, meets the Commission's overarching policy objectives, and has the widespread support of the rate-of-return carrier community.

To that end, it is encouraging that the stakeholders appear to have come to a consensus on the notion of a "two-path" approach to reforming the program that is comprised of both a model-based path and updates to the existing mechanisms, but work remains with respect to the details of how we would update those support mechanisms. We will continue to engage with stakeholders, and we expect them to continue to engage with us, to ensure that any reform of these universal service programs successfully delivers on our shared goal of more robust broadband throughout rural America.

Page 2—The Honorable Edward Whitfield

I look forward to working with you to make continued progress on the deployment of broadband to consumers throughout rural areas a reality.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler", with a stylized, cursive script.

Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 27, 2015

The Honorable Rick Allen
U.S. House of Representatives
513 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Allen:

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Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

July 27, 2015

The Honorable Mark Amodei
U.S. House of Representatives
222 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Amodei:

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Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

July 27, 2015

The Honorable Andy Barr
U.S. House of Representatives
1432 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Barr:

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To that end, it is encouraging that the stakeholders appear to have come to a consensus on the notion of a "two-path" approach to reforming the program that is comprised of both a model-based path and updates to the existing mechanisms, but work remains with respect to the details of how we would update those support mechanisms. We will continue to engage with stakeholders, and we expect them to continue to engage with us, to ensure that any reform of these universal service programs successfully delivers on our shared goal of more robust broadband throughout rural America.

Page 2—The Honorable Andy Barr

I look forward to working with you to make continued progress on the deployment of broadband to consumers throughout rural areas a reality.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler", with a stylized, cursive script.

Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 27, 2015

The Honorable Rob Bishop
U.S. House of Representatives
123 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Bishop:

Thank you for your letter urging the Commission to reform our Universal Service Fund ("USF") mechanisms to support broadband deployment in rural America. The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the 21st century economy. I share your goal of ensuring that the universal service program better reflects today's marketplace and technology in areas served by rate-of-return carriers.

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Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 27, 2015

The Honorable Rod Blum
U.S. House of Representatives
213 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Blum:

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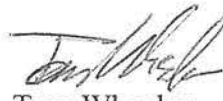
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Page 2—The Honorable Rod Blum

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Tom Wheeler